CHAPTER 205

HUMAN SERVICES - SOCIAL SERVICES

SENATE BILL 98-165

BY SENATORS Reeves, Hernandez, Hopper, Martinez, Norton, Rupert, Tebedo, Weddig, and Wham; also REPRESENTATIVES Adkins, Dyer, Reeser, and S. Williams.

AN ACT

CONCERNING PILOT SITES FOR PERFORMANCE CONTRACTING IN CHILD WELFARE, AND MAKING AN APPROPRIATION THEREFOR.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 26-5-102, Colorado Revised Statutes, is amended to read:

26-5-102. Provision of child welfare services - system reform goals. (1) (a) The state department shall adopt rules and regulations to establish a program of child welfare services, administered by the state department or supervised by the state department and administered by the county departments, and, where applicable, in accordance with the conditions accompanying available federal funds for such purpose. Said rules and regulations shall establish a fee based upon the child support guidelines set forth in section 14-10-115, C.R.S., requiring those persons legally responsible for the child to pay for all or a portion of the services provided under this article.

(b) Upon appropriate request and within available appropriations, child welfare services shall be provided for any child residing or present in the state of Colorado who is in need of such services. Foster care fees shall be considered child support obligations, and all remedies for the enforcement and collection of child support shall apply. Foster care fees established pursuant to section 14-10-115, C.R.S., may be collected pursuant to the administrative procedures to establish child support enforcement set forth in article 13.5 of this title. Due process is guaranteed in all actions regarding any such administrative process concerning foster care fees, and a court hearing of the matter before the district court may be obtained in the manner

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

prescribed in section 26-13.5-105. Nothing contained in article 13.5 of this title shall be construed to deprive a court of competent jurisdiction from determining the duty of support of any obligor against whom an administrative order is issued pursuant to this article.

- (2) REFORMS IN CHILD WELFARE AND RELATED DELIVERY SYSTEMS SHALL BE DIRECTED AT THE FOLLOWING OBJECTIVES:
- (a) MORE EFFICIENT AND RESPONSIVE SERVICE SYSTEMS FOR CHILDREN, YOUTH, AND FAMILIES:
- (b) INCREASED FLEXIBILITY AND COLLABORATION ACROSS MULTIPLE AGENCIES AND FUNDING STREAMS TO MORE APPROPRIATELY MEET CONSUMER NEEDS AND AVOID COST SHIFTING BETWEEN SYSTEMS;
- (c) ENCOURAGEMENT AND AUTHORIZATION FOR A TRULY INTEGRATED SERVICE SYSTEM THAT INCORPORATES BLENDED FUNDING AND ADMINISTRATION;
- (d) FOCUS ON QUALITY AND OUTCOME-DRIVEN SERVICES WITH ACCOUNTABILITY FOR AN ENTIRE ARRAY OF SERVICES THAT FAMILIES NEED, RATHER THAN FORCING FAMILIES TO BE TRANSFERRED FROM AGENCY TO AGENCY;
- (e) DEVELOPMENT OF DATA SYSTEMS TO SUPPORT THESE GOALS AND TO ALLOW ADMINISTRATORS AND POLICY MAKERS TO BETTER MANAGE AND EVALUATE;
- (f) AUTHORITY AND INCENTIVES FOR CREATIVE SOLUTIONS AT THE LOCAL LEVEL THAT ARE NOT BOUND BY THE CONSTRAINTS OF CURRENT AGENCY BARRIERS AND CATEGORICAL FUNDING STREAMS, INCLUDING AUTHORITY FOR LOCAL POLICY MAKERS TO CREATE NEW ENTITIES INCORPORATING BLENDED FUNDING AND ADMINISTRATION;
- (g) SUCCESSFUL TRAINING EFFORTS DIRECTED AT COUNTY STAFF, JUDGES, COURT STAFF, PROVIDERS, PARENTS, AND FAMILIES AND OTHER APPROPRIATE ENTITIES THAT ARE INVOLVED IN MANAGED CARE SERVICE SYSTEMS. NOTWITHSTANDING ANY LIMITATION OF THE "M" NOTATION OF THE APPROPRIATION IN THE ANNUAL APPROPRIATION ACT FOR CHILD WELFARE SERVICES, THE STATE DEPARTMENT IS AUTHORIZED TO EXPEND ANY ADDITIONAL FEDERAL OR PRIVATE FUNDING THAT MAY BE AVAILABLE TO SUPPORT THE TRAINING EFFORTS IDENTIFIED IN THIS SUBSECTION (2).

SECTION 2. 26-5-105.5, Colorado Revised Statutes, is amended to read:

- **26-5-105.5.** Pilot programs county performance agreements state department certificate program authorized repeal. (1) (a) The state department may enter into performance contracts AGREEMENTS with not more than three counties or groups of counties for the delivery of child welfare services. An interested county shall apply to the state department not later than August 1, 1997, and the implementation of such pilot programs shall commence not later than September 1, 1997.
- (b) IN ADDITION TO THE PILOT PROGRAMS AUTHORIZED PURSUANT TO THE PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (1), ANY INTERESTED COUNTY OR

GROUP OF INTERESTED COUNTIES MAY APPLY TO THE STATE DEPARTMENT TO BE CONSIDERED AS ADDITIONAL PILOT SITES. ON OR BEFORE AUGUST 1, 1998, THE STATE DEPARTMENT SHALL SELECT UP TO THREE SUCH ADDITIONAL PILOT SITES IN WHICH THE COUNTIES IN SUCH SITES SHALL ENTER INTO PERFORMANCE AGREEMENTS FOR THE DELIVERY OF CHILD WELFARE SERVICES. THE IMPLEMENTATION OF THE PERFORMANCE AGREEMENTS WITH THESE ADDITIONAL COUNTIES SHALL COMMENCE ON OR BEFORE JANUARY 1, 1999. THE STATE DEPARTMENT SHALL GIVE PREFERENCE TO ANY COUNTY THAT APPLIED TO BE CONSIDERED FOR THE PILOT PROGRAM PURSUANT TO THE PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (1) AND REAPPLIES PURSUANT TO THE PROVISIONS OF THIS PARAGRAPH (b). THE STATE DEPARTMENT SHALL ENCOURAGE THE ESTABLISHMENT OF ONE MULTICOUNTY RURAL PILOT SITE.

- (c) No later than June 30, 1999, the state department shall start to negotiate with any county that is interested in delivering child welfare services pursuant to a performance agreement as provided in this section. Implementation of a performance agreement system in such county shall be commenced on or after July 1, 2000.
- (2) A county that enters into a performance contract AGREEMENT with the state department shall be exempt from the rules of the state department and state board governing the delivery of child welfare services, as such exemptions are identified in the performance contract AGREEMENT.
- (3) Any county that has entered into a performance contract AGREEMENT with the state department and underspends the general fund portion of its capped or targeted allocation may use those funds, not to exceed five percent of the general fund portion of its total capped or targeted allocation for child welfare services, to either reduce its county share by the amount of the underexpenditure or spend such moneys on additional services for children in the county. Any balance of the general fund portion of its capped or targeted allocation shall be used for additional services for children in the county.
- (3.5) **Evaluation.** (a) The state department is authorized to contract for an external evaluation of the performance agreements authorized pursuant to paragraphs (a) and (b) of subsection (1) of this section. Any such external evaluation shall include any evaluation that may be required in connection with any waiver authorized pursuant to section 26-5-105.3. Criteria for and components of the evaluation shall be developed by the state department with input from the pilot counties authorized pursuant to this section. The entity that the state department selects to perform the evaluation shall complete a progress report on the evaluation no later than July 1, 2000, and shall provide copies of its report to the governor, the general assembly, and the chief justice of the supreme court.
- (b) The state department, with input from the counties, shall develop recommendations for statewide implementation of system reforms for the delivery of child welfare services. The plan shall be submitted to the general assembly and the chief justice of the supreme court no later than December 1, 2000. Further statewide implementation of systems reforms

SHALL BE BASED UPON THE RECOMMENDATIONS OF THIS REPORT.

(4) This section is repealed, effective July 1, 1998 2002.

SECTION 3. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the family issues cash fund created in section 26-5.3-106, Colorado Revised Statutes, not otherwise appropriated, to the department of human services, for allocation to the children, youth, and families division, for the fiscal year beginning July 1, 1998, the sum of two hundred and fifty thousand dollars (\$250,000), with spending authority for matching federal IV-E waiver funds, or so much thereof as may be necessary, for the implementation of this act.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 18, 1998